

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

* * *

FEDERAL TRADE COMMISSION,)	2:97-CV-00750-PMP-VCF
)	
Plaintiff,)	<u>ORDER</u>
)	
vs.)	
)	
DAYTON FAMILY PRODUCTIONS, INC.,)	
<i>et al.</i> ,)	
)	
Defendants.)	

On September 5, 2013, the Court conducted a hearing on the Federal Trade Commission's Motion to Hold Glen Burke and American Health Associates, LLC, in Contempt (Doc. #131) and the Federal Trade Commission's Second Motion to Hold Glen Burke in Contempt (Doc. #169). FTC's motions originate from a case commenced in this Court on June 20, 1997 alleging that several Defendants, including Glen Burke and American Health Associates, LLC, had engaged in unfair or deceptive acts or practices in violation of § 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and of the Telemarketing Sales Rule, 16 C.F.R. Pt. 310. On October 1, 1998, the Parties to this action entered and the Court approved a Stipulated Final Order for Permanent Injunction and Settlement of Claims for Monetary Relief Against Defendants Glen Burke, and Others. (Doc. #122). Additionally, on February 2, 1999, Judgment by Default and a Permanent Injunction was entered against Defendant American Health Associates, LLC, and other Defendants. Thereafter, no action occurred in this case for approximately fourteen years.

However, on January 28, 2013, this case was resurrected by the filing of Plaintiff FTC's Motion for Temporary Restraining Order and Preliminary Injunction (Docs. #129 & #130)


1 and Plaintiff FTC's Motion to Hold Glen Burke and American Health Associates, LLC, in
2 Contempt (Doc. #131). Essentially, Plaintiff FTC alleges Defendant Glen Burke continues to use
3 his company, American Health Associates, LLC, to deceptively telemarket a purported prize
4 promotion in violation of the Court's Final Order for Permanent Injunction and Settlement of All
5 Claims (Doc. #122) entered October 1, 1998. Accordingly, Plaintiff FTC seeks civil contempt
6 sanctions against Defendant Burke and American Health Associates, LLC, including compensatory
7 relief for consumers victimized by Defendants' continuing fraudulent scheme. Plaintiff FTC's
8 Second Motion to Hold Defendant Glen Burke in Contempt (Doc. #169) provides greater
9 evidentiary detail in support of FTC's motion for relief.

10 At the hearing conducted September 5, 2013, the Court heard argument of counsel on
11 behalf of Plaintiff of FTC and on behalf of Defendant Glen Burke. Defendant American Health
12 Associates, LLC, was not represented by counsel at the proceeding. Based upon the Declarations
13 and evidence adduced in the various motions and the arguments of counsel presented, the Court
14 finds that Defendant Burke and American Health Associates, LLC, have violated and are in
15 contempt of this Court's Stipulated Final Order for Permanent Injunction (Doc. #122) entered
16 October 1, 1998.

17 **IT IS THEREFORE ORDERED** that Defendant Burke is liable for and shall pay
18 contempt sanctions in the amount of \$20,174,740.36, and that Defendant American Health
19 Associates, LLC, be jointly and severally liable for \$2,785,508.36 of that total.

20 **IT IS FURTHER ORDERED** that the Clerk of Court shall forthwith enter Judgment
21 against Defendants Burke and American Health Associates, LLC, in the foregoing amounts.

22 DATED: September 27, 2013.

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24 

25 PHILIP M. PRO
26 United States District Judge